§838.237

not pay employee annuities at the time or in the amount required by statute.

(b) Except as otherwise provided in this subpart, OPM will honor court orders acceptable for processing that direct OPM to pay the employee annuity to the court, an officer of the court acting as a fiduciary, or a State or local government agency during the pendency of a divorce or legal separation proceeding.

§838.237 Death of the former spouse.

- (a) Unless the court order acceptable for processing expressly provides otherwise, the former spouse's share of an employee annuity terminates on the last day of the month before the death of the former spouse, and the former spouse's share of employee annuity reverts to the retiree.
- (b) Except as otherwise provided in this subpart, OPM will honor a court order acceptable for processing or an amended court order acceptable for processing that directs OPM to pay, after the death of the former spouse, the former spouse's share of the employee annuity to—
 - (1) The court;
- (2) An officer of the court acting as fiduciary;
- (3) The estate of the former spouse; or
- (4) One or more of the retiree's children as defined in section 8342(c) or section 8424(d) of title 5, United States Code.

[57 FR 33574, July 29, 1992, as amended at 58 FR 43493, Aug. 17, 1993]

PROCEDURES FOR COMPUTING THE AMOUNT PAYABLE

§838.241 Cost-of-living adjustments.

Unless otherwise provided in the court order, when the terms of the court order or \$838.621 provide for cost-of-living adjustments on the former spouse's payment from employee annuity, the cost-of-living adjustment will be effected at the same time and at the same percentage rate as the cost-of-living adjustment in the employee annuity.

§838.242 Computing lengths of service.

(a)(1) The smallest unit of time that OPM will calculate in computing a for-

mula in a court order is a month, even where the court order directs OPM to make a more precise calculation.

- (2) If the court order states a formula using a specified simple or decimal fraction other than twelfth parts of a year, OPM will use the specified number to perform simple mathematical computations.
- (b) Unused sick leave is counted as "creditable service" on the date of separation for an immediate CSRS annuity; it is not apportioned over the time when earned. Unused sick leave is not countable as "creditable service" in a FERS annuity (except in a CSRS component for an employee who transferred to FERS) or in a deferred CSRS annuity.

§838.243 Minimum amount of awards.

OPM will treat any court order that awards a former spouse a portion of an employee annuity equal to less than \$12 per year as awarding the former spouse \$1 per month.

Subpart C—Requirements for Court Orders Affecting Employee Annuities

§838.301 Purpose and scope.

This subpart regulates the requirements that a court order directed at employee annuity must meet to be a court order acceptable for processing.

§838.302 Language not acceptable for processing.

- (a) Qualifying Domestic Relations Orders. (1) Any court order labeled as a "qualified domestic relations order" or issued on a form for ERISA qualified domestic relations orders is not a court order acceptable for processing unless the court order expressly states that the provisions of the court order concerning CSRS or FERS benefits are governed by this part.
- (2) When a court order is required by paragraph (a)(1) of this section to state that the provisions of a court order concerning CSRS or FERS benefits are governed by this part the court order must expressly—
- (i) Refer to part 838 of title 5, Code of Federal Regulations, and
- (ii) State that the provisions of the court order concerning CSRS or FERS

benefits are drafted in accordance with the terminology used in this part.

- (3) Although any language satisfying the requirements of paragraph (a)(2) of this section is sufficient to prevent a court order from being unacceptable under paragraph (a)(1) of this section, OPM recommends the use of the language provided in ¶001 in appendix A to subpart F of this part to state that the provisions of the court order concerning CSRS or FERS benefits are governed by this part.
- (4) A court order directed at employee annuity that contains the language described in paragraph (a)(2) of this section must also satisfy all other requirements of this subpart to be a court order acceptable for processing.
- (b) Benefits for the lifetime of the former spouse. Any court order directed at employee annuity that expressly provides that the former spouse's portion of the employee annuity may continue after the death of the employee or retiree, such as a court order providing that the former spouse's portion of the employee annuity will continue for the lifetime of the former spouse, is not a court order acceptable for processing.

$\S 838.303$ Expressly dividing employee annuity.

- (a) A court order directed at employee annuity is not a court order acceptable for processing unless it expressly divides the employee annuity as provided in paragraph (b) of this section.
- (b) To expressly divide employee annuity as required by paragraph (a) of this section the court order must—
- (1) Identify the retirement system using terms that are sufficient to identify the retirement system as explained in §838.611; and
- (2) Expressly state that the former spouse is entitled to a portion of the employee annuity using terms that are sufficient to identify the employee annuity as explained in §838.612.

§838.304 Providing for payment to the former spouse.

(a) A court order directed at employee annuity is not a court order acceptable for processing unless it provides for OPM to pay the former spouse

- a portion of an employee annuity as provided in paragraph (b) of this section.
- (b) To provide for OPM to pay the former spouse a portion of an employee annuity as required by paragraph (a) of this section the court order must—
- (1) Expressly direct OPM to pay the former spouse directly;
- (2) Direct the retiree to arrange or to execute forms for OPM to pay the former spouse directly; or
- (3) Be silent concerning who is to pay the portion of the employee annuity awarded to the former spouse.
- (c) Except when the court order directed at employee annuity contains a provision described in paragraph (b)(2) of this section, a court order directed at employee annuity that instructs the retiree to pay a portion of the employee annuity to the former spouse is not a court order acceptable for processing.
- (d) Although paragraphs (b)(2) and (b)(3) of this section provide acceptable methods for satisfying the requirement that a court order directed at employee annuity provide for OPM to pay the former spouse, OPM strongly recommends that any court order directed at employee annuity expressly direct OPM to pay the former spouse directly.

§838.305 OPM computation of formulas.

- (a) A court order directed at employee annuity is not a court order acceptable for processing unless the court order provides sufficient instructions and information that OPM can compute the amount of the former spouse's monthly benefit using only the express language of the court order, subparts A, B, and F of this part, and information from normal OPM files.
- (b)(1) To provide sufficient instructions and information for OPM to compute the amount of the former spouse's share of the employee annuity as required by paragraph (a) of this section the court order must state the former spouse's share as—
 - (i) A fixed amount:
- (ii) A percentage or a fraction of the employee annuity; or
- (iii) A formula that does not contain any variables whose values are not readily ascertainable from the face of